

EXHIBIT 13

Signal International - Eff: 1/30/09

From: Trip Morano
Date: 1/30/2009 3:25:47 PM
To: Jessica Updike;
Cc: Tom Cesare; Linda Pontone;
Attachments: Signal International Max Specialty Excess Quotation.doc; MXM102 - 01-08 ACCEPT-REJECT TRIA.doc

Hey Jessica,

Will you please send Tom & Linda a binder for the captioned as it is quoted? Just let me know if any questions.

Thanks!
Trip

Trip Morano
Max Specialty Insurance Company
9020 Stony Point Parkway, Suite 325
Richmond, VA 23235
Phone: 804-287-6952
Fax: 804-287-6933
Cell: 804-332-3339
e-mail: trip.morano@maxspecialty.com

From: Tom Cesare [mailto:Tom.Cesare@amwins.com]
Sent: Friday, January 30, 2009 3:09 PM
To: Trip Morano
Cc: Linda Pontone
Subject: Signal International - Eff: 1/30/09
Importance: High

Trip bind this as quoted:

Please advise us of the policy # and send us a binder ASAP.

Thanks
Tom

-----Original Message-----
From: Trip Morano [mailto:Trip.Morano@maxspecialty.com]
Sent: Friday, January 30, 2009 9:15 AM
To: Tom Cesare
Subject: RE: Signal International - Eff: 1/30/09

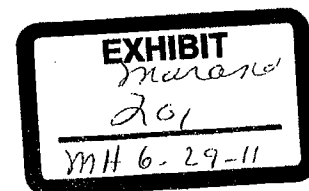
Tom,

Attached is the formal quote for the \$15mm x/s \$10mm non-CAT layer.
Please review and let me know if you see anything that needs attention.
Hope this does the trick!

Hope we can bind this one up!

Thanks again,
Trip

Trip Morano
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Cell: 804-332-3339



TRIPM 0027

e-mail: trip.morano@maxspecialty.com

-----Original Message-----

From: Tom Cesare [mailto:Tom.Cesare@amwins.com]

Sent: Friday, January 30, 2009 8:56 AM

To: Trip Morano

Subject: RE: Signal International - Eff: 1/30/09

Thanks get me the quote first so that my broker can present it and get a formal O.K. To bind.

-----Original Message-----

From: Trip Morano <Trip.Morano@maxspecialty.com>

Sent: Friday, January 30, 2009 8:51 AM

To: Tom Cesare <Tom.Cesare@amwins.com>

Subject: FW: Signal International - Eff: 1/30/09

Hey Tom,

I lined up the remaining 50% of the non-CAT \$15mm x/s \$10mm @ \$100,000 gross (subject to no drop down for CAT perils that are excluded in our layer). I will get you the formal quote letter momentarily.

Thanks!

Trip

Trip Morano

Max Specialty Insurance Company

9020 Stony Point Parkway, Suite 325

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e-mail: trip.morano@maxspecialty.com

From: Trip Morano

Sent: Thursday, January 29, 2009 11:41 AM

To: Tom Cesare

Subject: RE: Signal International - Eff: 1/30/09

Hi Tom,

TRIPM 0028

Thanks! I would still prefer to pass on the CAT layers/options, but I would be willing to authorize 50% of the \$15mm x/s \$10mm excluding CAT perils. If they end up going the non-CAT route on the \$15mm x/s \$10mm, would you happen to have another market willing to share that layer with me 50/50? If not, I'm almost certain I can fac it out; just let me know if you need me to line up the capacity to authorize 100% and I'll chase down the limits.

Thanks!

Trip

Trip Morano

Max Specialty Insurance Company

9020 Stony Point Parkway, Suite 325

Richmond, VA 23235

Phone: 804-287-6952

Fax: 804-287-6933

Cell: 804-332-3339

e-mail: trip.morano@maxspecialty.com

From: Tom Cesare [mailto:Tom.Cesare@amwins.com]

Sent: Thursday, January 29, 2009 11:31 AM

To: Trip Morano

Subject: Signal International - Eff: 1/30/09

Importance: High

Trip:

Firstly attached is Westchester's quote for the \$10mm primary. I believe that the BI is just included within the \$10mm primary.

The Westchester underwriter (who has an engineering degree) has read the whole inspection report that we included in the submission and had pointed out that most of the Ike loss was to the electrical equipment at Orange, Texas yards. On page 33 in the top section titled FIXED ELECTRICAL SYSTEMS the 2nd paragraph states:

"Due to severe flooding during Hurricane Ike, many of the electrical systems, e.g. wiring, relays, switchgear, motors, etc., were exposed to brackish water and were repaired. Improvements are currently ongoing at the Orange Yard to relocate major electrical conduit from previous lower

TRIPM 0029

build elevations to 12 feet or higher throughout the facility. This modification is based on lessons learned from previous record high flooded elevations prior to tropical storms and electrical substations damaged during previous storms have been rebuilt on elevated platforms."

Also if you look at page 36 there is a whole section on Loss Estimates (PMLs/MPLs). The 2nd paragraph of page 38 states:

"Business Interruption is not considered a significant exposure under the PML loss due to the redundancies in operation within and between the Yards for accomplishing work."

This is why he is willing to write the \$10mm primary after the loss, therefore can you relook at providing some Cat limits All Risk basis including Named Storm and associated Storm Surge excluding all other Flood, Quake and TRIA:

- a) \$10mm ex \$10mm @ \$350,000 layer (or 50% of the layer)
- b) \$5mm ex \$10mm @ \$225,000 layer

If not please continue to loom at a nonCat \$15mm ex \$10mm.

Though this dates tomorrow the insured may only bind the \$10mm primary today.

Thanks

Tom

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Max Specialty

TO:
Tom Cesare
COMPANY:
AmWINS Brokerage of NY
Wall Street Plaza
88 Pine St., 6th Floor
New York, NY 10005

FROM: Trip Morano
Max Specialty Insurance Company
9020 Stony Point Parkway
Suite 325
Richmond, VA 23235

FAX:
PHONE: 212-858-8925

FAX: (804) 287-6933
PHONE: (804) 287-6952

DATE: January 30, 2009

TOTAL NO. OF PAGES INCLUDING COVER: 2

COVERAGE QUOTATION FOR: Signal International, LLC

Underwriter: Trip Morano

Quote Valid Until: January 30, 2009

Policy Period: January 30, 2009 – January 30, 2010
(12:01 AM Standard Time on both dates at the address of the Named Insured)

TIV: \$211,328,279

Valuation: Per Primary Policy

Excess Proposal

Covered Property: Buildings, Contents, Bulkheads, Dry Docks, Equipment, Business Income & Extra Expense, as per schedule of values on file with this Company, and all as more fully defined in Policy Form.

Perils Insured: All Risk of Direct Physical Loss excluding Named Windstorm, Flood, Storm Surge/Ensuing Flood, and Earthquake.

Policy Form: Max Specialty Excess of Loss Following Form. No Drop Down for perils excluded in our layer.

Limit of Liability: \$15,000,000 per Occurrence

Excess of \$10,000,000 per Occurrence + Underlying Deductible(s)

Premium: \$100,000

Minimum Earned Premium: 35%

Gross Commission: 17.5%

TRIA Surcharge: \$7,500 (see Policyholder Disclosure Notice attached)

Special Conditions

1. Excludes all foreign locations and exposures.
2. Excludes pollution/contamination, asbestos, boiler & machinery, terrorism, mold, earthquake sprinkler leakage, electronic data/cyber risk losses and related computer losses, war, nuclear, chemical, and biological materials.
3. Permission for Excess and Occurrence Limit of Liability Endorsements to apply.
4. Subject to acceptable review of policy wording. Until acceptable by this Company, Max Specialty forms govern.
5. 30 day notice of cancellation. 10 day notice of cancellation for non-payment of premium.
6. Quote is subject to disclosure of any claims or occurrences which may affect this policy which the applicant shall become aware of subsequent to the application date and prior to the inception date of coverage for this quote.

7. Coverage may not be bound without confirmation in writing from Max Specialty Insurance Company.

Standard Conditions

1. No new business or increased coverage on in-force business shall be bound on properties within 100 miles of tidal waters when a tropical storm or hurricane is within the boundaries West of 70 degrees West Longitude and North of 15 degrees North Latitude.
2. This quote may differ from the terms and conditions presented in the submission.
3. This quote is conditional upon favorable financials, inspection report(s) and compliance with recommendations, if requested.
4. Please be advised that you are expected to comply with all state law requirements and your office is responsible for making State Surplus Lines Filings and remitting the applicable Surplus Lines taxes.

COMMENTS

Please note this quote cannot be bound without completion and satisfactory review of all the Special Conditions noted above.

Further, the terms and conditions outlined in this quote are based on the applicable underwriting information received as of the date of the application. Max Specialty maintains the right to adjust the terms and conditions, in the event conflicting information is received subsequent to this date.

Signed:

Date: